

STATE OF MICHIGAN
DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH
OFFICE OF FINANCIAL AND INSURANCE REGULATION

Before the Commissioner of the Office of Financial and Insurance Regulation

In the Matter of:

Exact Title LLC
System ID No. 0038013,

Enforcement Case No. 09-7121

and

Barry A. Rogow
System ID No. 0078402,

Respondents.

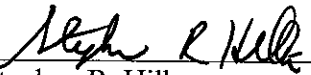
Issued and Entered,
This 28th day of July, 2010,
By Stephen R. Hilker,
Chief Deputy Commissioner

CONSENT ORDER SUSPENDING LICENSES
AND ASSESSING A CIVIL FINE AND OTHER PENALTIES

Based upon the Stipulation to Entry of Consent Order and the files and records of the Office of Financial and Insurance Regulation ("OFIR") in this matter, the Commissioner FINDS and CONCLUDES that:

1. The Commissioner has jurisdiction and authority to adopt and issue this Consent Order in this proceeding, pursuant to the Michigan Administrative Procedures Act of 1969 ("MAPA"), as amended, MCL 24.201 *et seq.*, and the Michigan Insurance Code, 1956 PA 218, as amended, MCL 500.100 *et seq.* (the "Code").
2. All required notices have been issued in this case, and the notices and service thereof were appropriate and lawful in all respects.
3. Acceptance of the parties' Stipulation to Entry of Consent Order, incorporated herein

IT IS SO ORDERED.



Stephen R. Hilker,
Chief Deputy Commissioner

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STIPULATION TO ENTRY OF CONSENT ORDER
SUSPENDING LICENSES AND
ASSESSING A CIVIL FINE AND OTHER PENALTIES

EXACT TITLE LLC and BARRY A. ROGOW (hereinafter, the "Respondent" or "Respondents") and the Office of Financial and Insurance Regulation ("OFIR") hereby stipulate and agree to the following:

1. At all times pertinent to this Stipulation and the attached Consent Order, Respondent Exact Title LLC was a title agency licensed under the Michigan Insurance Code, 1956 PA 218, as amended, MCL 500.100 *et seq.* (the "Code").
2. At all times pertinent to this Stipulation and the attached Consent Order, Respondent Barry A. Rogow was a title agent licensed under the Code.
3. Pursuant to Section 249 of the Insurance Code, MCL 500.249, OFIR staff ("Staff") conducted an investigation of Respondents.
4. On November 12, 2009, a Notice of Opportunity to Show Compliance ("NOSC") was

issued by OFIR to Respondents in the above-entitled matter pursuant to the provisions of the Michigan Administrative Procedures Act ("MAPA"), MCL 24.201 *et seq.*, and the Code.

5. The NOSC contained allegations that Respondent violated the Code and set forth the applicable laws and penalties which could be taken against Respondents.

6. On December 12, 2009, Respondents submitted a response to the NOSC and requested an opportunity to demonstrate compliance at an informal conference.

7. On March 11, 2010, an informal conference was held between Respondents and OFIR Staff. Staff determined that Respondent had not made a sufficient showing of compliance related to significant and material allegations contained in the NOSC.

8. OFIR and Respondent have conferred for purposes of resolving this matter and determined to settle this matter pursuant to the terms set forth below.

9. The Commissioner of OFIR ("Commissioner") has jurisdiction and authority to adopt and issue this Consent Order, pursuant to the MAPA and the Code.

10. Based upon the allegations set forth in the NOSC and communications with Respondent, the following facts were alleged:

Count I

- a. On March 31, 2005, Respondents, Exact Title LLC and Barry A. Rogow, acted as the title company and or closing agent for a residential mortgage lender in connection with a residential mortgage loan for a property located in Detroit, Michigan.
- b. In connection with this transaction, Respondents prepared a HUD-1 Settlement Statement to reflect an accurate accounting of the receipts and disbursements that occurred in relation to the transaction.
- c. The HUD-1 Settlement Statement reflected that \$12,710.35 was the amount of "cash due from the borrower" to close the transaction.
- d. Respondents allowed the seller of the property to pay, on behalf of the borrower, the \$12,710.35 "cash due from the borrower".
- e. The seller's payment of the \$12,710.35 "cash due from the borrower" was not reflected on the HUD-1 Settlement Statement.
- f. Respondent, Barry A. Rogow, signed the HUD-1 Settlement Statement making the following attestation: "The HUD-1 Settlement Statement which I

have prepared is a true and accurate account of this transaction. I have caused the funds to be disbursed in accordance with this transaction.”

- g. Respondents did not close this transaction in accordance with the HUD-1 Settlement Statement.
- h. By failing to close this transaction in accordance with the HUD-1 Settlement Statement, Respondents have violated Section 1239(1)(h) of the Code, MCL 500.1239(1)(h).

Count II

- i. On February 11, 2005, Respondents, Exact Title LLC and Barry A. Rogow, acted as the title company and or closing agent for a residential mortgage lender in connection with a residential mortgage loan for a property located in Detroit, Michigan.
- j. In connection with this transaction, Respondents prepared a HUD-1 Settlement Statement to reflect an accurate accounting of the credits and debits that occurred in relation to the transaction.
- k. The HUD-1 Settlement Statement reflected that \$10,381.69 was the amount of “cash due from the borrower” to close the transaction.
- l. The HUD-1 Settlement Statement reflected that \$68,896.09 was the amount of “cash due to the seller” at the closing of the transaction.
- m. Respondents did not receive \$10,381.69 from the borrower or disburse \$68,896.09 to the seller.
- n. Respondents allowed the seller to provide the “cash due from borrower” money to the borrower by netting the down payment money against the seller proceeds. As a result, instead of receiving \$68,896.09 at the closing, the seller actually received \$58,514.40. The difference between what the seller was supposed to receive and what the seller actually received reflects the netting of the \$10,381.69 that was due from the borrower.
- o. Respondent, Barry A. Rogow, signed the HUD-1 Settlement Statement making the following attestation: “The HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused the funds to be disbursed in accordance with this transaction.”
- p. Respondents did not close this transaction in accordance with the HUD-1 Settlement Statement.

- q. By failing to close this transaction in accordance with the HUD-1 Settlement Statement, Respondents have violated Section 1239(1)(h) of the Code, MCL 500.1239(1)(h).

11. Without admitting any allegations expressed or implied in paragraph 10, Respondents agree to CEASE and DESIST from any and all of the violations alleged in paragraph 10.

12. Respondents agree to CEASE and DESIST from engaging in any activity requiring licensure under the Code.

13. Respondent, Exact Title LLC, agrees that its title agency license shall be SUSPENDED by the Commissioner for a period of no less than seven (7) years from the date of issuance and entry of the attached Consent Order.

14. Respondent, Barry A. Rogow, agrees that its title agent license shall be SUSPENDED by the Commissioner for a period of no less than seven (7) years from the date of issuance and entry of the attached Consent Order.

15. Respondent, Barry A. Rogow, agrees to not make application for licensure or registration, either in his individual capacity or as an officer, director, shareholder, member, partner, or owner of any business entity, under any regulatory licensing statute presently or hereafter administered by the Commissioner for a period of five (5) years from the date of issuance and entry of this Consent Order.

16. Respondents, jointly and severally, agree to pay to the State of Michigan, Office of Financial and Insurance Regulation a CIVIL FINE in the amount of \$1,000.00. The CIVIL FINE shall be due on or before 30 days from the date of issuance and entry of the attached Consent Order and shall be tendered in the form of a certified check or money order payable to the State of Michigan.

17. The procedural requirements of the MAPA and the Code have been complied with in all respects by both parties.

18. Respondents understand and agree that this Stipulation will be presented to the Chief Deputy Commissioner for approval. The Chief Deputy Commissioner may in his sole discretion, decide to accept or reject the Stipulation and Consent Order. If the Chief Deputy Commissioner accepts the Stipulation and Consent Order, Respondents waive the right to a hearing in this matter and consent to the entry of the Consent Order. If the Chief Deputy Commissioner does

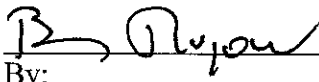
not accept the Stipulation and Consent Order, Respondents agree to the Commissioner holding a formal administrative hearing and making his decision after such hearing.

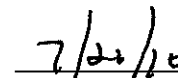
19. The failure to abide by and fully comply with the terms and conditions of this Stipulation and Consent Order may, at the discretion of the Commissioner, result in further administrative compliance actions.

20. The Commissioner has jurisdiction and authority under the provisions of the MAPA and the Code to accept this Stipulation to the Entry of Consent Order and to issue a Consent Order resolving these proceedings.


21. Respondent has had an opportunity to review this Stipulation and the accompanying Consent Order and have same reviewed by legal counsel.

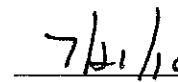
EXACT TITLE LLC


By: _____
Its: _____

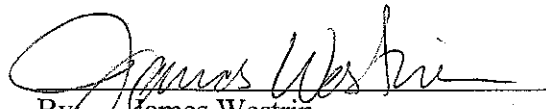

Dated _____

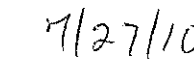
BARRY A. ROGOW


By: _____


Dated _____

OFFICE OF FINANCIAL AND
INSURANCE REGULATION


By: James Westrin
Staff Attorney


Dated _____